

**MINUTES OF PUBLIC MEETING  
FOR THE CORRECTIONS OFFICER RETIREMENT PLAN LOCAL BOARD  
FOR THE SUPERIOR COURT**

A Public Meeting of the Corrections Officer Retirement Plan Local Board for the Superior Court was convened Tuesday, March 6, 2018 at 10:00 a.m., Conference Room 109, Arizona State Courts Building, 1501 West Washington Street, Phoenix, Arizona.

**Board Members Present in Conference Room 109:** Kevin Kluge, Chair; Jason Hathcock, Rob Lubitz, Danna Quinn and Mark Smalley.

**Also Present:** Hannah Auckland, Board Attorney; Annette Corallo, Board Secretary; Leticia Chavez, Recorder; Wanda Roberson, Recorder; Ottmar & Associates, Court Reporter; Robert Ortega; Mary Turner; Jeryline Hyland; Sandra Moreno; Ben Norris; Ryan Krench, Gary Thagard; and Applicant #17-02, Paul Munoz (by conference call)

**Call to Order:**

**Approval of the Minutes:**

February 6, 2018 – Public Meeting Minutes

February 6, 2018 – Executive Session

**MOTION: A motion to approve the public meeting and executive session minutes of the February 6, 2018 meeting was made by Danna Quinn.** Motion was seconded and passed unanimously; minutes stand approved. **CORP 2018-20**

**Decision on CORP Designation of Yavapai County Position**

Wendy Ross, Director of Human Resources and Risk Management for Yavapai County, initially requested that the Board review the position of Community Restitution Coordinator to determine if the position was a designated CORP position pursuant to the Joinder Agreement. The Board discussed the request at its meeting on February 9, 2018, and voted to table discussion until clarification about the position can be obtained from Yavapai County. The Board requested that a representative from Yavapai County attend the next meeting if possible and the county is expected to have a representative at the March meeting. The county also provided a revised job description.

The Chair recognized Gary Thagard of Yavapai County who was in attendance to answer any questions about the position. The Chair expressed his opinion that most of the questions have been cleared up after receiving the new job description.

Board member Jason Hathcock asked Mr. Thagard if the Surveillance Officer Senior position would be filled by a sworn, badged surveillance officer and Mr. Thagard indicated that it would be.

**MOTION: A motion that the Board designates the position of Surveillance Officer Senior, Adult Probation Yavapai County, as a CORP eligible position was made by Jason Hathcock. Motion was seconded and passed unanimously. CORP 2018-21**

#### **Decision on Request for Review – Pima County Detention Officer’s Request to move from ASRS to CORP:**

The Board received a request from approximately 35 juvenile detention officers in Pima County, via a letter from Director of Juvenile Court Services Jennifer Torchia dated December 1, 2017, to be considered for the option to switch from ASRS to CORP membership. The letter explains the request is made because of the very limited education provided when the option was initially presented and available in 2007. The Board initially considered the letter at its meeting on January 9, 2018, and voted to table further review and discussion until the Board’s next scheduled meeting, and to gather all information that was disseminated by the AOC regarding the Joinder and to contact Pima County to try to obtain information as to how the information was disseminated to staff.

On February 23, 2017, the Board Secretary received a request from Assistant Attorney General Ben Norris, representing the Employer (AOC), to have further consideration postponed to the Board’s April 3, 2018, meeting. A copy of his email was provided to the board members. The request was made so the AOC can put its position in writing, and allow the detention officers to have a chance to see and review the AOC’s position before the issue is considered by the Board.

Ben Norris, along with Ryan Krench, was present from the Attorney General’s Office on behalf of the Administrative Office of the Courts. Mr. Norris requested additional time to prepare a written statement regarding their position on the matter due to the significant financial impact. He requested the matter be moved to the April 3, 2018 meeting.

**MOTION: A motion to defer action on this matter until the Attorney General’s office can put the Employer’s (AOC) position in writing, for review by all parties before the Board decides on this matter, was made by Mark Smalley. Motion was seconded and passed unanimously. CORP 2018-22**

#### **Consideration of Disability Applications**

##### **#17-02, Paul J. Munoz – IME Clarification; Decision on Benefits**

The Board received Application #17-02 from Paul J. Munoz for Accidental Disability Retirement on September 5, 2017:

- The applicant was a juvenile detention officer in Maricopa County who was injured while responding to situations that involved shielding a juvenile on January 9, 2016, and restraining a juvenile on June 15, 2016.
- The application was filed by the member after the disabling incident and within one year of the applicant's termination. Maricopa County Human Resources confirmed that the applicant was terminated effective May 30, 2017.
- The application and medical records were provided for the Board.
- The applicant initialed the Waiver of Confidentiality provision, to allow discussion of the medical condition in open public meeting.
- The applicant was notified via certified letter that the Board would consider the application at this meeting and of the applicant's right to attend.

**Pre-Existing Conditions:**

The applicant's physical exam dated November 19, 2010, indicated the following pre-existing condition: hypertension. The exam report was provided to the Board.

**Statutory Guidance for Board:**

The Board Secretary advised that the Board would need to decide on eligibility based on the IME. Any motion to approve or disapprove the application should include a reference to the Independent Medical Evaluation upon which the determination is based. The Board can consider any medical evidence that the applicant may want to provide; however, the statutes are clear that a determination of disability shall be based on the IME. Material conflicts in medical evidence must be resolved by findings of the Board. Disability determinations by the State Comp Fund or other workers' compensation bodies are not binding on the Board.

The Chair acknowledged that Mr. Munoz was present at the meeting by conference call.

Board member Jason Hathcock pointed out that the doctor checked that there was a pre-existing condition on Form C5-LBA, but clarified in his written statement that there was no evidence of a relevant pre-existing condition at the time of hiring. Mr. Hathcock expressed concern that in sending Board-approved paperwork to the Public Safety Personnel Retirement System, they will see that Form C5-LB-A has a pre-existing condition indicated and the approval be sent back for clarification.

The Board Secretary stated that she spoke to MCN and verbally explained the issue of the form being checked as a pre-existing condition even though the written statement says otherwise.

**MOTION: A motion to (1) approve an Accidental Disability benefit for Applicant #17-02, Paul J. Munoz, based on the findings of the Independent Medical Evaluation conducted by Dr. Michael A. Steingart as set forth in his report dated January 18, 2018 and his letter of clarification dated February 26, 2018, in which Dr. Steingart states that the applicant has a physical condition that will totally and permanently prevent him from performing a**

reasonable range of duties within his department for a time frame that Dr. Steingart cannot predict at this time; (2) approve an Accidental Disability Benefit for Paul J. Munoz in about the amount of \$1,788.68 effective June 1, 2017; and (3) review this matter again in three years pursuant to A.R.S. §38-886.D and the Board's policy on review of disability awards: "If improvement is possible, but can't be predicted, the first review will generally be three years after the date the Board approves the application for disability benefits, and at three-year intervals thereafter...", was made by Jason Hathcock. Motion was seconded and passed by a vote of 4-0-1, with Danna Quinn recused from voting. CORP 2018-23

#### **#15-01, Ruth K. Marblestone – Annual Review of Records**

The Board approved Application #15-01, Ruth K. Marblestone, for Ordinary Disability benefits on December 7, 2015. Ms. Marblestone was advised via certified mail that the Board would conduct its second annual review at this meeting. The Board last reviewed her medical records on January 3, 2017, and voted to review her case again in one year.

This applicant signed the confidentiality waiver to allow discussion of medical information in open session.

The applicant was asked to provide all medical treatment records since January 1, 2017, to assist the Board in determining whether an independent medical reevaluation of the applicant's condition is necessary.

Medical records in response to the Board's request were received on February 20, 2018.

The Board established on January 3, 2017, that the disabled member's condition should be reevaluated in one year. The applicant's earliest normal retirement date would have been June 1, 2032, when she would attain 62 years of age and 10+ years of service.

The Chair indicated that Ms. Marblestone was not in attendance by phone.

Board member Jason Hathcock stated that in reviewing the medical records that the applicant provided, there was no information that refers to the condition for which the disability was approved. Mr. Hathcock also noted the records indicated the applicant is employed and that he would like to ask the applicant for additional information about the nature of that employment. Lacking any information about her current low-back condition and her employment status, Mr. Hathcock stated he would like to refer her for an IME.

**MOTION: A motion to refer Applicant #-15-01, Ruth K. Marblestone, for an independent medical evaluation was made by Jason Hathcock. Motion was seconded and passed unanimously. CORP 2018-24**

#### **Decision on Notice of Retiree Return to Work: William S. Paiano – Yavapai County**

The Board received a Notice of Retiree Return to Work from Yavapai County for William S. Paiano. The form indicates that Mr. Paiano retired from the Yavapai County Adult Probation

Department under CORP effective February 1, 2017, and returned to work for the Yavapai County Adult Probation Department on February 11, 2018, as an Adult Probation Officer Entry.

**MOTION: A motion that the Board received a Notice of Retiree Return to Work from William S. Paiano and finds that (a) Mr. Paiano is eligible to continue to receive a CORP pension, and (2) Mr. Paiano's employer, Yavapai County, is responsible to pay the CORP Alternate Contribution Rate on his behalf, was made by Rob Lubitz. Motion was seconded and passed unanimously. CORP 2018-25**

#### **Approval of Normal Retirement Benefits:**

**MOTION: A motion to approve the payment of Normal Retirement benefits to the following applicants in about the following amounts, effective March 1, 2018, was made by Danna Quinn. Motion was seconded and passed unanimously. CORP 2018-26**

Melissa H. Goularte:	\$2,247.50
John G. Joiner:	\$2,989.73; Reverse DROP Estimate: \$73,183.95
Sandy M. Logan:	\$2,921.25

#### **Acknowledgement of CORP Physical Exam Final Letters**

The Chair noted, for the record, that physical examination reports for Dalia Alspaugh, Tyrone Burwell, Chelsea Canham, William Colon, Marisela Encinas, Jorge Espinoza, John Manning, Erin Marshall, David McHenry, Laurel Murphy, Jessie Perez, Cynthia Quijano, Andrew Scott, and Rayele Sherlock were not received within 60 days of receipt of their membership applications and that final letters requesting an examination were sent to these members via certified mail on February 20, 2018

#### **Approval of Membership:**

The Local Board may consider and vote on the approval of the following requests for membership or defer decision to a later date:

Alspaugh, Dalia	Cochise	12/4/2017
Auchana, Ninorta	Maricopa	11/20/2017
Behrens, Jennifer	Maricopa	9/11/2017
Burris, Brian	Maricopa	1/16/2018
Burriel, Adam	Maricopa	10/9/2017
Burwell, Tyrone	Graham	12/26/2017
Camarena, Katia	Pima	11/20/2017
Canham, Chelsea	Pima	11/6/2017
Charles, Christina	Yuma	11/19/2017
Collier, Madeline	Mohave	2/5/2018
Colon, William	Pima	7/24/2017

Conway, Taylor	Gila	10/2/2017
Duggins, Samantha	Maricopa	12/4/2017
Dvorovy, Christopher	Maricopa	6/5/2017
Encinas, Marisela	Pima	8/21/2017
Espinoza, Jorge	Pima	10/2/2017
Garcia, Diana	Pinal	1/21/2018
Garcia Jr., Ismael	Maricopa	11/27/2017
Gavina, Christina	Maricopa	2/12/2018
Granberry, Roxanne	Maricopa	1/15/2018
Johnson, Anthony W.	Maricopa	1/29/2018
Jones Rankin, Tiffany	Yuma	1/16/2018
Keefe, Robert	Gila	11/13/2017
Lazcano-Romero, Lilia	Pinal	11/20/2017
Leithead, Joshua D.	Yavapai	12/17/2017
Leyva, Nadine	Maricopa	12/4/2017
Manning, John	Maricopa	9/25/2017
Marshall, Erin	Maricopa	11/6/2017
McHenry, David	Maricopa	9/11/2017
Mercado, David	Yavapai	11/13/2017
Moraga, Regina	Pinal	1/16/2018
Morgan, Cissy	Pima	1/16/2018
Murphy, Laurel	Cochise	11/20/2017
Nelson, Samuel	Yavapai	11/5/2017
Otto, Lisa A.	Maricopa	2/12/2018
Perez, Jessie	Graham	12/26/2017
Quijano, Cynthia	Pima	10/9/2017
Rey, Erika	Maricopa	1/15/2018
Riley, Latasha	Pinal	11/6/2017
Robles, Christine	Maricopa	8/28/2017
Sanez, Jason	Cochise	11/19/2017
Scott, Andrew	Pima	8/20/2017
Sherlock, Rayele	Coconino	10/21/2017
Spawn, Michael	Mohave	9/5/2017
Szkutak, Nicole	Maricopa	11/20/2017
Taylor, Ambur	Mohave	11/27/2017
Virgillo, Sergio	Maricopa	1/1/2018
Walden, Katelyn	Maricopa	10/30/2017
Whalen, Clifton	Mohave	4/3/2017
White, Mackenzie	Yavapai	11/5/2017
Yurek Carhee, Jenae	Pima	12/11/2017

**MOTION: A motion to approve the 51 applicants listed on the agenda for this meeting for membership in CORP pursuant to A.R.S. §38-893.D and to note for the record that the physical examinations for Ninorta Auchana, Jennifer Behrens, Adam Burriel, Taylor Conway, Samantha Duggins, Ismael Garcia Jr., Lilia Lazcano-Romero, Nadine Leyva, David Mercado, Samuel Nelson, Latasha Riley, Michael Spawn, Nicole Szkutak, Ambur Taylor, Sergio Virgillo, and Clifton Whalen identified a physical or mental condition or injury that existed or occurred before their date of membership in the plan was made by Jason Hathcock. Motion was seconded and passed unanimously. CORP 2018-27**

### **Presentation on Implementation of CORP Tier 3**

Robert Ortega from the Public Safety Personnel Retirement System (PSPRS) attended the meeting to talk about the upcoming CORP Tier 3 changes

The major changes prescribed in SB 1442 for CORP, per the 2017 PSPRS Legislative Update, are:

- Effective July 1, 2018, closes CORP for all current designated positions, except for Probation and Surveillance (AOC). This means that juvenile detention officers hired beginning July 1, 2018, will participate in the Defined Contribution Plan.
- Creates a Defined Contribution (DC) Plan for a new hire after July 1, 2018. The Employer contribution rate for CORP DC is 5%. The Employee contribution rate for CORP DC is 7%. When a member joins, they have a one-time option to select an employee contribution rate lower than 7%, but the rate must be at least 5%.
- CORP DC members participate in the PSPDCRP disability program.
- Public Safety and CORP DC members are not eligible for an ordinary disability under the PSPDCRP disability program.
- Death benefits are available to surviving spouses or eligible children of CORP PSPDCRP participants who are killed in the line of duty or die from injuries suffered in the line of duty.
- Tier 3 CORP members, other than judiciary probation and surveillance officers, are automatically enrolled in the PSPDCRP.
- Tier 3 judiciary probation and surveillance officers have 90 days after their hire date to select either the DB (Defined Benefit) or the DC Plan. If a decision is not made within 90 days, the member will be enrolled in CORP. The decision is irrevocable and is the election for the remainder of the employee's employment with any employer under the plan.
- Normal retirement for Tier 3 CORP members is 10 years of service and at least 55 years old. The monthly benefit is equal to the member's average monthly salary multiplied by the number of whole and fractional years of credited service multiplied by a multiplier. The multiplier for Tier 3 CORP members is as follows:
  - 1.25% for members with 10 but less than 15 years of service;
  - 1.50% if the member has at least 15 but less than 20 years of service;
  - 1.75% if the member as at least 20 but less than 22 years of service;
  - 2.00% if the member has at least 22 years but less than 25 years of service;

-- 2.25% if the member has at least 25 years of service.

According to Robert Ortega, the Board's processes will change in terms of processing new memberships, because new probation and surveillance members will have up to 90 days to determine if they want to participate in the CORP DB plan. Mr. Ortega added all new members, whether participating in the DB or DC plans, will continue to have a physical exam for pre-existing conditions. Mr. Ortega further stated that all decisions on disability will be continued to be handled by the Local Board. The Chair asked the Board Secretary to prepare for database software changes to process applicants as DB or DC members.

Mr. Ortega reported that the enrollment process will still be a paper process. The election process for DB/DC for probation and surveillance officers will be an electronic process, in which the officers will receive an email notification of the election deadline and directing them to their Members Only account to make their election.

The Board and guests from the Department of Corrections in the audience expressed concern about the very short time frame given to officers to make decisions about their contribution percentage, especially since that this will be a lifetime election. Mr. Ortega indicated the education and communication function will be handled by a contractor, Galloway, as it is for the Public Safety Tier 3 members. Mr. Ortega will be asking the Board Secretary to be involved in providing input to the education piece.

Board member Jason Hathcock asked Mr. Ortega whether a retired CORP probation officer who returns to work as a probation officer would be eligible to participate in the CORP DC option. Mr. Ortega said they are applying return rules against the entire plan, and therefore the member would not be eligible for any form of CORP membership once they retired under CORP and would instead participate in ASRS, as they now do.

Mr. Ortega stated that he expects the new forms to be available in May and that training for the individual counties will be conducted by PSPRS, e.g., how to process the DB/DC forms.

### **Future Agenda Items:**

Board Secretary said the Pima detention issue, another disability review, and any implementation updates will be on the next agenda. She also stated that the audit will be put on hold because she was not able to see records from the first of the fiscal year for many of the counties.

### **Call to the Public:**

No members of the public addressed the Board.

The meeting was adjourned at 10:55 a.m.

Transcribed March 6, 2018